

## LTBB Tribal Council Policy on Indirect Cost Pool

### Reference:

### Purpose:

**Policy:** Only legal salaries (in-house attorneys) or legal costs (for contracted legal services) related to an allowable indirect cost activity and supported with adequate documentation will be eligible for inclusion in the indirect cost pool. Legal salaries must relate to allowable indirect cost activities and be adequately documented and supported in accordance with 2 CFR (A87), Appendix B Section 8h. (4) in order to be included in the indirect cost pool.

Legal costs related solely to general government operations (an unallowable cost) or to direct cost activities (ie., Federal awards) are not allowable in the indirect cost pool. Governments may however apply to program managers to recover direct legal costs from funding agencies through program agreements.

Federal Regulations (2CFR 225 & 230, A-87 & A 122) require that salaries and wages be properly documented and approved. The required documentation includes:

### Salary and Wage Certifications:

Used when expected to work on a single Federal award or cost objective during the period being certified. The certification should be:

1. Prepared at least semi-annually and
2. Signed by the employee or supervisory official with first-hand knowledge of the work.

### Personnel Activity Reports or Equivalent Documentation:

Required for employees who work on multiple activities, that is:

1. More than one Federal award or
2. A Federal and a non-Federal award or
3. Two or more indirect activities with different cost allocation bases or
4. An allowable activity and a direct or indirect cost activity.

Personnel Activity Reports or Equivalent Documentation must meet the following criteria:

1. Prepared at least monthly.
2. Signed by the employee.
3. Account for the total activity for which each employee is being compensated; and

- 1 4. Reflect an after-the-fact distribution of the work that has actually been  
2 compensated by each employee.  
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4 **Equivalent Documentation:**

5 For allocating salaries and wages in place of Personnel Activity Reports Tribal Council  
6 approves the following Equivalent Documentations that meets acceptable statistical  
7 sampling standards, case counts, or other quantifiable measures of employee effort.  
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- 9 1. Meeting Minutes  
10 2. Meeting Agendas  
11 3. Travel Reports  
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13 Tribal Council also approves Equivalent Documentations that does not fully comply with  
14 sampling standards but accounts for the total activity of the employee if when provided:

- 15 1. The amounts involved are minimal or:  
16 2. Would result in a lower cost to the Tribe.  
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19 Tribal Council approves the following guideline for indirect cost pool:  
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21 100% General Funds - Salaried do not need to certify.  
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23 65% General Funds – Salaried = Semi Annual Certification Required and Monthly  
24 Personnel Activity Reports or Equivalent Documentation  
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26 65% General Funds – Hourly = Weekly Certified Timesheet.  
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28 35% Indirect Funds - Salaried = Semi Annual Certification Required and Monthly  
29 Personnel Activity Reports or Equivalent Documentation  
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31 35% Indirect funds - Hourly = Weekly Certified Timesheet.  
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34 This Policy was approved by Tribal Council on:  
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38 Regina Gasco Bentley, Tribal Council Secretary  
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Date